

**Date:** Fri, 2 May 2025 8:21:58 PM (UTC)  
**Sent:** Fri, 2 May 2025 8:21:30 PM (UTC)  
**Subject:** [EXTERNAL] Victim Impact Letter | Alex Machinsky  
**From:** H D [REDACTED]  
**To:** Defendre, Valeen (USANYS) <Valeen.Defendre@usdoj.gov>;  
**Attachments:** H.D. Victim Statement.pdf

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Valeen S. Defendre  
Victim Witness Specialist  
U.S. Attorney's Office, SDNY  
26 Federal Plaza  
New York, New York 10278  
Phone: 212-637-2101  
Cell: 917-912-5027

Hi Ms. Defendre,

Please forward my attached victim impact letter to Judge John G. Koeltl. Thank you.

\*Due to these letters being public and having already been further victimized by scam attempts, I am signing my initials rather than full signature. Please let me know if further verification is needed.

HD

May 2, 2025

Honorable John G. Koeltl  
United States District Judge  
Southern District of New York  
500 Pearl Street

To the Honorable Judge Koeltl

I am writing as another victim of Alex Machinsky's calculated fraud through Celsius Network. I want to convey the devastating impact his crimes have had on my life, and I respectfully urge the court to impose a sentence that truly reflects the gravity of his actions.

I am a single 56 year old female. I have no family or children to help support me, and I have lost my life savings—between the Celsius Network and Voyager bankruptcies combined. Although distributions were welcome, they didn't come close to the total loss.

As a low-income earner with [REDACTED], I spent years scrimping and saving for retirement. I never lived extravagantly or enjoyed the fruits of my labor, and now, that security is gone. I see no way to rebuild at my current age and state of health. I am exhausted, and facing the reality that I will likely have to work for the rest of my life.

Although I am a strong person and I will continue to persevere, this experience brought me to despair. All plans for the future were abruptly halted, and [REDACTED] just to manage daily functioning. The toll has been immense, emotionally, physically, financially, and it's obliterated my relationships and my ability to trust.

Mr. Mashinsky exploited the uncertainty of the COVID-19 pandemic to prey on people like me. He used fear-based marketing tactics, promising high yields and falsely assuring us that Celsius was "the safest place for your crypto"—even "safer than the banks." All the while, he was orchestrating a Ponzi-like scheme, using our deposits to manipulate the CEL token and conceal the company's insolvency.

Mr. Mashinsky has pleaded guilty because he is guilty—guilty of destroying lives. I urge the court to deliver a sentence that sends a strong, unequivocal message that this type of fraud will not be tolerated in the rapidly growing crypto space. While no sentence can undo the harm done, a lenient one would certainly deepen the wound.

Thank you for taking the time to consider my statement.

Respectfully,

HD

**Date:** Sat, 3 May 2025 6:29:53 PM (UTC)  
**Sent:** Sat, 3 May 2025 6:29:32 PM (UTC)  
**Subject:** [EXTERNAL] Celsius victim, client Stan Sparrow, testimony, follow-up  
**From:** Stan S Sparrow [REDACTED]  
**To:** Defendre, Valeen (USANYS) <Valeen.Defendre@usdoj.gov>;  
**CC:** Stan S "sam" Sparrow [REDACTED]

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**To Whom It may concern, Update;**

**Subject: Celsius victim, client Stan Sparrow, testimony and up-date.**

**The court date is May 8 for ALEXANDER MASHINSKY, and My PTSD is really hurting...  
I'm left with another bad settlement from Celsius and Ionic digital;**

**<https://www.ionicdigital.com/>**

**Ionic is a scam that has not given any compensation money or BTC -Bitcoin.**

**Ionic were forced to give statements after the victims rebelled, but Ionic is failing...and this was Alex Mashinsky idea to mine Btc ,**

**and Alex used my money to buy computers that are out too dated to make Btc efficiently.**

**Please your honour, Wendy Olsen set a scammer example and return all the money to the ones that need it most first, Liquidate All Alex's Assets, and**

**ALEXANDER MASHINSKY should go to prison for max sentence, and can not be pardoned, maybe deported back to Ukraine.**

**I have not recovered ☐☐...**

**Sincerely Stanley Sparrow** [REDACTED]  
[REDACTED]

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*April 1.2025*

*To: <[wendy.olsen@usdoj.gov](mailto:wendy.olsen@usdoj.gov)>*

*Cc: Stan S "sam" Sparrow* [REDACTED]

*Hi. [wendy.olsen@usdoj.gov](mailto:wendy.olsen@usdoj.gov)*

*I am a victim of celsius fraud, and also fraud of the lawyers' bad deal, and overcharging...  
When I saw the April fools joke video of Alex machinski, getting a pardon from trump,  
Ptsd...hurt me so much, broken heart so much now, and worried about becoming homeless  
because of alex, taking my bitcoin and now I'm 64yr old...*

*I am expressing my grief, and another 70 yr old guy that is so depressed, He cannot deal with it  
anymore and has given up, on justice and celsius.*

*I had deposited \$ 44,000 and the other guy had 200,000*

*I had .5 BTC , 100 Solana 13 Ethereum*

*Today's market value is approx. \$140,000*

*But I got back only \$ 7,000 ish*

*I'm 64 years old and [REDACTED] so it really hurt,*

*We were so [REDACTED] and stressed financially,*

*and every week we are reminded with phish, scam, fake emails*

*because Celsius case was hacked and my SS# and Id are on the dark web, making us very  
vulnerable to scams.*

*the Celsius case that never ends, and seems to be an endless cash grab by the lawyer's really bad*

*deal...*

***Stanley Sparrow***



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**From:** [REDACTED]  
**To:** [Defendre, Valeen \(USANYS\)](#)  
**Subject:** Re: [EXTERNAL] Re: USA v. Mashinky Celsius Impact Statement  
**Date:** Monday, May 5, 2025 8:09:00 PM

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Victim Impact Statement – *USA v. Mashinsky (Celsius)*  
Submitted by: [Redacted]  
May 5, 2025

Hello,

I am the first in my working-class family to pursue education at an U.S. Ivy League institution—an opportunity made possible through tireless effort, and nearly lost due to the fraud perpetrated by Mashinsky and the cryptocurrency "industry."

Having also worked in the crypto "industry" prior, I wish to convey the profound, harrowing impact of the Celsius fraud on my mental health, career, and understanding of what the next Celsius inevitably leads to, and why the court should act decisively in the public interest of justice.

Having served as a sell side analyst at multiple publicly traded firms covering this industry when Celsius et al. collapsed, my deep understanding of this sector only compounds my disillusionment, horror, and disgust following not just the collapse of Celsius, Voyager, and FTX, but also being a victim of a nearly six-figure hack in US currency "stablecoins" a year prior by North Korean state actors—incidents emblematic of the pervasive recklessness in the industry.

At every level—legal, operational, technical—there exists an entrenched and shocking culture of moral bankruptcy, depravity, and negligence.

While Mashinsky's conduct did not cost me my life, as it tragically did for other victims, it severely derailed mine. My test scores, educational trajectory, and thus, my socioeconomic class mobility have been materially impacted. The emotional toll—[REDACTED], insomnia, and [REDACTED] and lost productivity—have been beyond dark.

Beyond my personal loss, the broader pattern emerging from Celsius—and from similar new schemes—is too dark to fathom. Celsius is just one part of the unbridled predatory class warfare of the worst imaginable kind a la late-stage, max-extractive capitalism masquerading as "innovation" via private faux "currencies."

Worse, this industry has since escalated its disproportionate influence over regulatory and policy institutions, and now, firms with similar business models are marketing the same empty promises to millions of more vulnerable people—GenZ, lower-income, retirees, and minorities—comprising 94% of all crypto users. They were most impacted by Mashinsky, knowing little difference between dollars or "stablecoins" in the digital era.

Disturbingly, the industry is now targeting college students and underserved communities, and

even marketing to children and babies suggesting digital assets are still "better than banks" or a way to escape poverty or even a viable "career."

We are living through a slow-moving public health crisis caused by crypto-enabled financial fraud, and it is being driven—if not pioneered—by individuals like Alex Mashinsky, one of the more brazen of the bunch.

Mashinsky was a canary in the coal mine. Without a decisive response from this Court, this crisis will inevitably repeat at a scale we are not prepared for.

This is provable from recent BIS reports noting the industry's risks of global financial system destabilization, countless Fed, ECB, and OCC comments, other policymakers', and public data corroborating the scale of the ongoing crisis.

This is before noting the industry's infamous "North Korean" problem -- this is patently flawed tech that does not work at any meaningful scale with literally infinite hacking risks being pushed for consumer adoption by con artists like Mashinsky et al. posturing as economic saviors of the masses, while all the supposed top "experts" can't help themselves from getting hacked billions of dollars every month.

Loved ones are being lost to suicide caused by crypto crime daily—GoFundMe is filled with families pleading for help after pig butchering and crypto hacks/scams horror stories. Students are losing fathers and friends to crypto crime.

The trend is harrowing, at approx. 37% CAGR per FBI IC3 data, that nearly everyone by 2030 will inevitably know at least one person who got robbed their entire life savings by international organized criminal gangs directly due to crypto, or died.

In the first months of 2025 alone, multiple state-sanctioned memecoins collapsed, erasing billions of dollars worth in value—see IMF paper on the '97 Albanian state collapse from only \$2b in ponzi schemes. This is mass adoption.

Cryptocurrency may be the most serious threat to modern civilization currently on offer, and Celsius was just the scheme du jour.

Thus, A 20-year sentence is not sufficient to reflect the scale of the harm or to deter future misconduct. The human toll is staggering, and the precedent matters.

I urge the court to impose the maximum sentence allowable to reflect the scale and seriousness of Mashinsky's crimes. Do it not just for his victims, but for the generation of starry-eyed kids being newly lured into this lawless digital casino with false promises of empowerment and "financial inclusion."

The social and political consequences of crypto predators', like Mashinsky, economic crimes will be felt for generations until society demands full accountability and restitution from those who have profited at the productive public's expense.

Justice now demands an unambiguous response: life in prison for Mr. Mashinsky is a start, but large-scale economic reparations are additionally necessary.

Students, professors, and clinics at top law schools—as well as public interest, consumer protection orgs, and plaintiffs and class action firms—must urgently investigate the legal and societal implications of crypto's growing influence over democratic institutions and policymaking, including examining whether industry incentives are aligned with public interest, or whether they are undermining trust in regulatory, financial, and judicial systems.

The court must set a precedent now—it will have been too late when the Congressional hearings commence

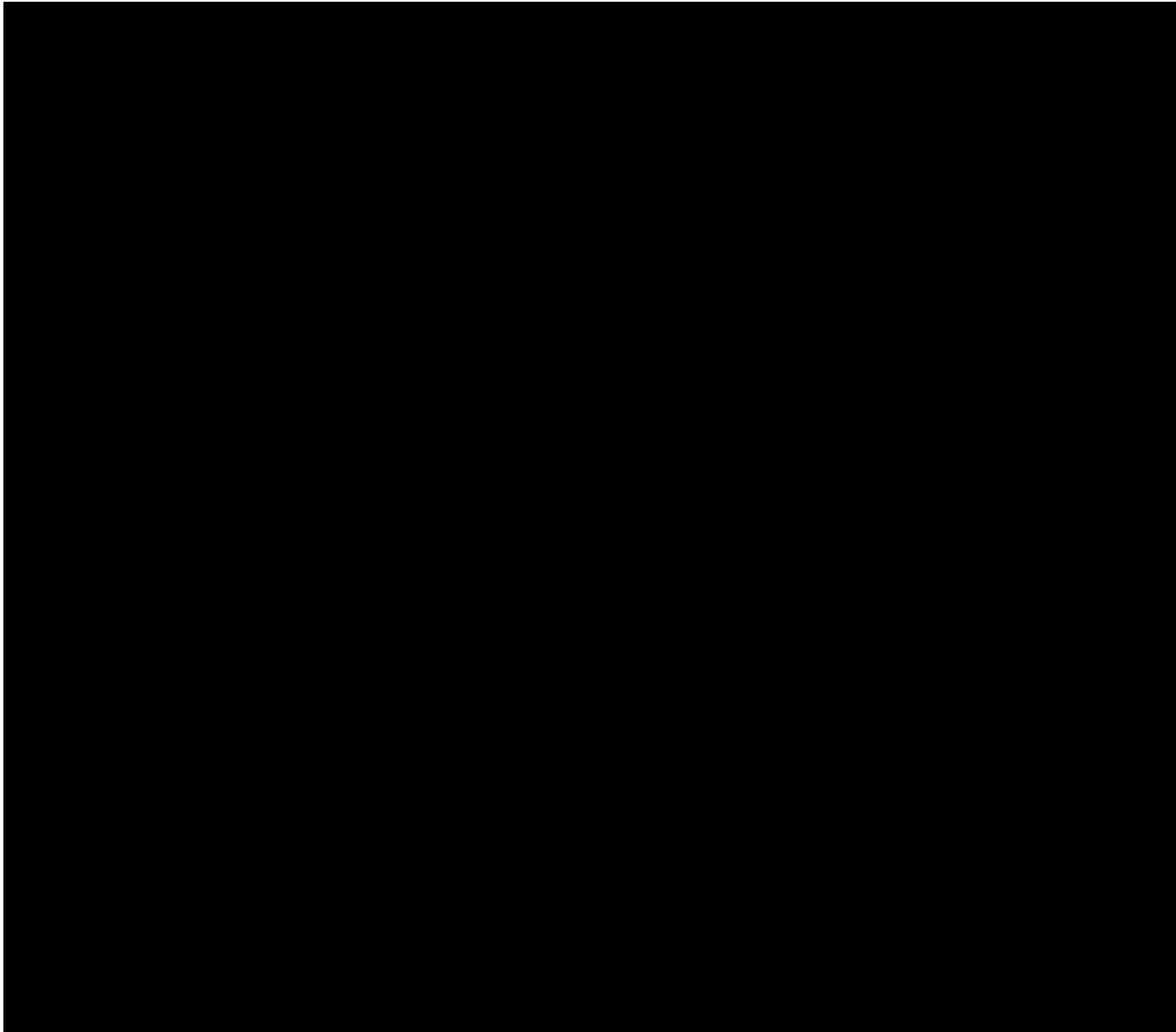
following the next systemic crypto crisis, just as in the 2008 GFC.

Regards,

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[DO NOT SHARE NAME - ANONYMOUS ONLY]





**Date:** Tue, 6 May 2025 1:16:45 PM (UTC)  
**Sent:** Tue, 6 May 2025 1:16:37 PM (UTC)  
**Subject:** [EXTERNAL] Fw: to the Honorable John G. Koeltl Celsius victim impact statement  
**From:** James Dixon [REDACTED]  
**To:** Defendre, Valeen (USANYS) <Valeen.Defendre@usdoj.gov>;

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Sent from [Outlook for Android](#)

Dear Valeen.

I hope this email finds you well.

I feel the need to express to you how Alex Mashinsky has impacted my life.

I was a big believer in Alex Mashinsky's claims that he made for over 2 years in his weekly AMAs on YouTube. The main lie was that the business was successfully offering over collateralised loans and that the company was solvent

I invested \$100,000 in equity series 1 . this was later subordinated to zero.

I also had a large amount in Celsius valued at around £2 million at the pause of withdrawals. I chose to trust their promises that they would have enough to satisfy withdrawals so I chose not to withdraw anything from the platform so as to help the company in its time of need.

I was disappointed to find out later on that Alex Mashinsky had in fact withdrew \$40 million from the platform while asking us to keep our funds on the platform.

I lost the shares which were subordinated to zero. I lost the value of my cel token despite being liable for the full tax at the full value not the subordinated value.

I had a huge tax bill I was unable to pay which added on substantial interest.

I relieved a small percentage back as I had 1.7 million in usdt on the platform. 100000 cel tokens and 3 bitcoins

It was a very hard period for me not just financially but also [REDACTED]

this has left me heartbroken. I am sure that things would be very had Celsius not gone into bankruptcy.

I hope Mashinsky is never allowed to dupe anyone ever again.

He is a complete narcissistic monster. He lied to us every week for over 2 years in his weekly AMA s on youtube where he consistently claimed celsius was safer than a bank and other exchanges were facing bankruptcy such as Binance and crypto. com., which was totally false.

please don't let him get away with what he has done

yours sincerely

James Dixon

Sent from [Outlook for Android](#)



**Date:** Tue, 6 May 2025 2:19:46 AM (UTC)  
**Sent:** Tue, 6 May 2025 2:19:22 AM (UTC)  
**Subject:** [EXTERNAL] Victim Impact Letter and of Sentencing of Alex Mashinsky  
**From:** [REDACTED]  
**To:** Defendre, Valeen (USANYS) <Valeen.Defendre@usdoj.gov>;

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May 5th 2025

Honorable John G. Koeltl  
United States district judge.  
Southern District of New York  
500 Pearl St.  
To the honorable John G. Koeltl.

My name is Jean Paul Hope, and I am one of the many victims affected by the collapse of Celsius Network under the leadership of its founder, Alex Mashinsky. I write to you not only as someone who suffered significant financial loss, but as a 61-year-old who has seen his entire retirement savings disappear—savings I spent a lifetime building with care and trust.

Like thousands of others, I believed in the mission Celsius promoted. I was drawn in by Mr. Mashinsky's public image—a man who claimed to be challenging traditional finance on behalf of ordinary people. His slogan, "Unbank Yourself," was more than a catchphrase to us; it represented a hopeful alternative to a broken system. I truly believed I was making a sound, forward-thinking decision.

But behind this message was something far more sinister. While urging customers like me to "HODL," Mr. Mashinsky was quietly liquidating his CEL tokens and offloading risk—fully aware of the company's deep financial troubles. His actions were not just irresponsible; they were deceptive and self-serving. That betrayal cuts deep. I trusted him. We all did.

In an effort to protect myself, I sold over \$2,500 worth of Shiba Inu tokens—accepting a significant loss—to pay down a loan I held with Celsius. I believed I was acting responsibly, trying to stabilize my position during turbulent times. I received no acknowledgment, no receipt, no confirmation. That money, like so much else, simply vanished.

Adding insult to injury, in the wake of the collapse, Mr. Mashinsky's wife, Krissy Mashinsky, launched a T-shirt line bearing the slogan "Unbankrupt Yourself." To many of us, this was not just distasteful—it was an act of cruelty, mocking the very real devastation we were enduring. It reflected an utter lack of empathy and remorse.

What is most painful is not just the financial loss, but the breach of trust and the dismantling of the future I worked for. Retirement is no longer on the horizon. Instead, I am forced to begin again at an age when I should be planning for peace and dignity.

Your Honor, this is not merely a case of failed leadership or poor financial decision-making. This was a calculated betrayal—one that inflicted profound emotional and financial harm on thousands. I urge the Court to consider the scale and human impact of Mr. Mashinsky's actions. A lenient sentence would fail to reflect the gravity of what has occurred. It would send a dangerous message: that white-collar crime can destroy lives without meaningful consequence.

Please let this be the case that affirms accountability, justice, and the principle that those who exploit others for personal gain will face the full weight of the law.

Thank you for your time and consideration.

Sincerely,

If needed be, I can provide you details about my account and the case number.

Warm regards

Jean Paul Hope Mouret.

**Date:** Tue, 6 May 2025 9:15:05 PM (UTC)  
**Sent:** Tue, 6 May 2025 9:14:49 PM (UTC)  
**Subject:** [EXTERNAL] Celsius & Mashinsky victim letter  
**From:** philip roness [REDACTED]  
**To:** Defendre, Valeen (USANYS) <Valeen.Defendre@usdoj.gov>;

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To:

Honorable John G Koeltl

I am one of the victims of the Celsius fraud.

As of today may 6 my losses would be valued at well over 2 million in USD because I was an early buyer when prices were cheap.

It was most of my life savings unfortunately and at age 60 it's not easy to comeback from.

I take responsibility for trusting Celsius and it's CEO despite all the times he publicly promised that our funds were safe and the loans he was lending out were fully collateralized.

My situation was especially bad.

I had a loan thru Celsius in addition to funds earning "yield".

As the market was going south they didn't allow me to add collateral to my loan and they liquidated 9 BTC despite my agreement saying I could add collateral at any time.

I'm sure you have heard many awful stories.

At this point, I'm relegated to accept the fact that I'll never see any more funds but I do think it is extremely important to send a message to all would be scam artists considering doing what Mashinsky did especially since it was intentional.

A harsh sentence will hopefully send a message to the crypto and financial community that this type of behavior and large scale fraud and theft will not b tolerated.

I appreciate the opportunity to send my thoughts on the matter.

Have a great rest of the week.

Philip Roness  
[REDACTED]